

New drug benefit sign-up has a risk

Enrolling in Medicare prescription plan could terminate HMO coverage.

By Nancy Weaver Teichert -- Bee Staff Writer

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Seniors who are members of managed care health plans and then enroll in a drug plan offered by another organization could be dropped from their health plan, according to health plan and Medicare officials.

Marketing campaigns for Medicare's new prescription drug benefit plans are set to start Saturday. Advocates for seniors are worried that the benefits will be attractive enough to get seniors to sign up without first calling their HMOs.

"It's a serious mistake to make," said Jack Cheevers, spokesman for the federal Centers for Medicare and Medicaid Services in San Francisco. "If they make this kind of mistake, they're depriving themselves of everything but drug coverage."

From the managed care plan's perspective, signing up for a drug plan offered by another managed care plan is seen as a decision to leave.

The new prescription drug plan - Medicare Part D - takes effect Jan. 1 and is designed to prevent enrollees from getting wiped out financially from high drug bills. But it isn't for every senior, especially those whose managed care plans already offer drug benefits.

The plan is part of the 2003 Medicare Modernization Act, which was the subject of controversy because of disputed cost estimates and restrictions on federal government bulk drug purchases.

The potential for confusion is huge in California, which has the nation's highest enrollment of Medicare beneficiaries in managed care plans - 1.3 million people. Their coverage could be lost if they sign up for a drug plan offered by a different group.

Health plans want to get the word out to members that they could accidentally unenroll themselves by signing up for one of the 18 stand-alone prescription drug plans to be offered in California. A key point they want to emphasize: Those who are satisfied with their managed care plans don't have to do anything to get Medicare's new prescription drug coverage.

If, however, they sign up for a drug plan unconnected to their health plan, "it's going to bounce them out of their HMO," said Joan Parks, director of Sacramento's Health Insurance Counseling and Advocacy Program, also known as HICAP.

Parks urged all beneficiaries, especially those in managed care plans who could lose their coverage, to be cautious.

"Those with a great need of ongoing medications, they need to be very careful," she said. "One month out of a plan could be extremely costly or detrimental to them."

Denise Hanson, director of Medicare and state programs for Kaiser in California, which has 70,000 members in the Sacramento region, said, "They shouldn't do anything until they hear from their current plan."

With the new Medicare drug coverage, most managed health care plans will expand their drug coverage beyond generics to include brand name drugs. Some people may face higher monthly premiums for the expanded coverage.

California's 4.3 million Medicare beneficiaries will get solicitations from a slew of about 40 drug plans. There are 18 organizations offering stand-alone drug plans that can supplement the traditional fee-for-service Medicare program with some offering several plans.

Nineteen other groups will offer Medicare Advantage plans that offer the new drug coverage as part of a total health care package. Only four of those will be available in the Sacramento region: Health Net, Kaiser, PacifiCare and Western Health Advantage.

Advocates for the elderly and disabled are concerned that the profusion of plans will make it difficult for people to choose the best one for their health and financial situation.

Hanson said Kaiser officials are discussing this issue with Medicare officials, asking to retroactively re-enroll people who inadvertently lose their coverage.

Hanson said all health plans will send out letters in October telling their members of any changes in their coverage for the coming year, including information on expanded prescription drug coverage.

Medicare officials say if they start to see a trend of HMO members inadvertently losing their coverage, they will act to safeguard them.

"It's certainly possible it will happen," Cheevers said. "If it becomes a serious problem, we'll step in and do something about it."

Medicare prescription plans

ARE YOU IN A MANAGED CARE PLAN?

Before signing up for a drug plan, seniors in managed care health plans are urged to call their health plan or wait for information from the plan.

If they sign up for a drug plan outside their health plan, they could be dropped from their health plan.

NEW DRUG PLANS AT A GLANCE

California's 4.3 million Medicare beneficiaries can choose to enroll in one of more than 40 drug plans beginning Nov. 15. Details about the plans, which will take effect Jan. 1, will be available in October.

Here's a summary of events in the Sacramento area to explain Medicare's new drug plan:

- **Friday**, 7:30 a.m. to 12:30 p.m., Healthy Women, Healthy Lives, Jewish women's group, Elk Lodge, 6446 Riverside Blvd., Sacramento
- **Friday**, 10 a.m. to 2 p.m., Generations 2005 Expo, Cal Expo, Sacramento.
- **Saturday**, 11:50 a.m. - 12:30 p.m., Multiple Sclerosis Society, Lukens Auditorium, Mercy General Hospital, 6555 Coyle Ave., Carmichael.
- **Sunday**, 2 p.m., Sacramento Valley CFIDS Support Group, 6555 Coyle Ave., Room 145, Carmichael.
- **Monday**, 11:30 a.m., Nevada County Retired Teachers Association, Alta Sierra Golf Course, Grass Valley,
- **Tuesday**, 10 a.m., Pine Brook Village Mobile Home Park, 7900 Folsom Auburn Road, Folsom.
- **Tuesday**, 1 p.m., Pioneer Towers, 515 P St., Sacramento.
- **Tuesday**, 10 a.m., Holy Cross Methodist Church, 1200 W. Hammer Lane, Stockton.
- **Wednesday**, 10 a.m. to 11 a.m., Elk Grove Senior Center, 8830 Sharkey Ave., Elk Grove.
- **Thursday**, Villa Serena Apartments, 101 Villa Serena Circle, Rocklin.
- **Thursday**, 11 a.m. - 12:30 p.m., Opening Doors, Sierra II Community Center, 2791 24th St., Sacramento. Information available in the Bosnian language.

FOR MORE INFORMATION

- Call (800) MEDICARE - TTY (877) 486-2048 - or go online at www.medicare.gov.
- Call Health Insurance Counseling and Advocacy Program (HICAP) at (916) 376-8915 or (800) 434-0222, or go to www.calmedicare.org.
- For a free benefits checkup offered by the National Council on the Aging, go to www.benefitscheckup.org/rx.

Source: Bee research

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